

THE STATE OF SOUTH CAROLINA
Public Service Commission

YORK COUNTY, SOUTH CAROLINA

Docket No.: 2019-290-WS
APPLICATION OF BLUE GRANITE WATER COMPANY FOR APPROVAL OF AN ADJUSTMENT IN RATE
INCREASES AND AN INCREASE IN RATES

YORK COUNTY PETITION TO INTERVENE AS A PARTY OF RECORD

York County, a body politic and political subdivision of the State of South Carolina, with a significant number of Blue Granite customers residing in the County, moves to join this action as a Party of Record entitled to receive all motions, briefs, all correspondence, and all offers of settlement among the parties.

York County seeks to intervene for the following reasons:

1. THE REQUESTED RATE BASED RATE OF RETURN METHODOLOGY PROVIDES AN OPPORTUNITY FOR REASONABLE RATES OF RETURN BUT NOT A GUARANTEE. Historically, customers have used rate cases to address serious issues with the water/sewer utility service and infrastructure. For example, when York County CWS customers have concerns with the provision of water/sewer service, concerns with water and its perceived quality/effects, and water and sewer rates themselves invite question, York County customers have utilized rate cases to address these issues with the Commission. In this case, proposed increases are of such proportion that the role of the Office of Regulatory Staff and now the S.C. Department of Consumer Affairs are of heightened importance to gauge expenses and requested increases in terms of reasonableness with considerations of past performance in terms of service quality.
2. THE ANNUAL RATE ADJUSTMENT "PASS THROUGH" RATE MECHANISM PROPOSED POTENTIALLY HAS A DISPROPORTIONATE IMPACT ON YORK COUNTY CITIZENS. Blue Granite seeks a territorial application of pass-through water and sewer rates; however, this request potentially disproportionately affects York County citizens whom reside in the Blue Granite franchise territory. On December 16, 2019, York County Council suspended scheduled residential, commercial, and wholesale water and sewer rate increases prospectively. By implication, the lack of an increase will nevertheless impact York County citizens as increases in other territory providers will trickle into the York County calculation. York County would like this aspect of the proposed "pass through" explored in this application.
3. In a related component, York County contends that the connection approved in 2019-223-W leaves open the question of rate application for a subsequent rate case. York County contends that this case addressing pass through of water costs affecting York

County is an appropriate case to expound on this issue and moreover serve as an a forum to address the component of "emergency backup connection" within the franchise agreement with York County necessarily implicated in the directive.

4. THE DEFERRED RATE ADJUSTMENT ELIMINATES PUBLIC REVIEW OR LIMITS MEANINGFUL CONTESTATION OF PROPOSED INCREASES. In the proposal in the application, Customers must rely solely on an auditing and review by the Commission in conjunction with South Carolina Office of Regulatory Staff. Review of a year's worth of deferrals to 45 days without a contestation component limits the audit or inquiry power of both the Commission and ORS and further implements the cost pass through after the 45 day period.
5. York County hereby requests to be a participant in any settlement discussions which occur as a result of this case.

Respectfully submitted by Counsel representing York County,

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York, South Carolina
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